

Cabinet orders RCC board dismissal

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WINDHOEK – Cabinet yesterday directed Works and Transport Minister John Mutorwa to dismiss the Roads Contractor Company (RCC)'s board of directors over the company's unauthorised N\$2 billion deal with a Chinese firm.

Cabinet also ordered Secretary to Cabinet George Simataa to take disciplinary action against the ministry's permanent secretary Willem Goeiemann over the same issue. RCC, currently under a court-supervised rescue arrangement, signed in April an agreement with Chinese company Nantong Sanjian, which would avail a N\$580 million loan to the struggling Namibian state-owned entity in return for a stake in RCC's projects. Media reports in recent weeks suggest the Chinese firm's stake would amount to over N\$2 billion.

After weeks of wrangling between government and a hard-headed RCC board over the legality of the deal, which saw the company's lawyers take on the

Attorney-General, the matter was finally referred to the Cabinet Committee on Overall Policy and Priorities (CCOPP).

At the centre of the issue was how RCC, a wholly-owned state entity, entered into the self-funding agreement with Nantong Sanjian without approval from Mutorwa and the Attorney-General – and without authorisation from the Ministry of Finance.

But while the CCOPP preoccupied itself with the matter on Wednesday last week – June 6 – some board members of RCC were putting the final touches to their resignation letters the same day.

As of last night, the company only had two board members – its defiant chairperson Fritz Jacobs and Elsie Skrywer.

The third board member, Leah Namholo, who had been providing quorum to the five-member board, resigned last week.

The other two board members, port engineer Elzevir Gelderbloem and lawyer Melkizedek Uupindi had jumped ship earlier on, having only served one of their three years at the civil engineering SOE.

CCOPP, in its response to the ministries or works and public enterprises that had sought counselling on the matter, declared the agreement invalid and unenforceable in law.

“CCOPP [directs] the Minister of Works and Transport to consider the dismissal of the RCC board with immediate effect, in view of their unacceptable conduct in respect to the RCC agreement with the Chinese company,” it said.

Speaking to New Era last night, Mutorwa said he will fire Jacobs and Skrywer this week as directed.

“The Cabinet action letter was issued today (Monday) and I will thus comply with it accordingly,” he said.

Jacobs, via a text message, said he was “occupied” and could therefore not comment on the unfolding events.

Works PS Goeiemann whose role in the deal seemingly irked Cabinet, now faces disciplinary action. CCOPP says action against him should also include “previous reported incidents” – which the directive did not specify.

Goeiemann was previously fingered in the N\$7 billion airport tender that government stopped in its tracks, and a ruling later in the Supreme Court cited his irregular role in the matter.

This was after President Hage Geingob personally pushed for the cancellation of the airport tender, allegedly awarded by the Namibia Airports Company (NAC) to China’s Anhui Foreign Economic Construction Group with Goeiemann’s approval.

Government in fact lost its first attempt in the High Court, before lodging an appeal in the Supreme Court. Supreme Court justices Dave Smuts, Peter Shivute and Sylvester Mainga eventually ruled in favour of the government’s claim that the works ministry’s permanent secretary had no mandate to award the tender on behalf of NAC